

## Daily Thai News Updates: 17 March 2017

### 1. Finance chiefs unfazed by Fed hike

Source: The Nation ([Link](#))

The Finance Ministry is taking a sanguine view on the latest interest rate rise in the United States, playing down any concerns over the prospect of rising borrowing costs in Thailand. The US Federal Reserve raised its key policy rate by 25 basis points to a range of 0.75 per cent to 1 per cent on Wednesday, and has signalled more increases will follow as part of efforts to normalise monetary policy. In response to the move, Finance Minister Apisak Tantivorawong yesterday said the ample liquidity in Thailand's financial markets would cushion the economy from any volatility in markets abroad. Apisak's optimism was echoed by permanent secretary for finance Somchai Sujjapongse, who said he was not worried about the likelihood of rising borrowing costs for the government, despite official plans to step up borrowing to help finance a raft of infrastructure projects this year and the next, "The Public Debt Management Office had long anticipated the Fed's move and made financial preparations accordingly," he said.

### 2. Thailand key to Airbnb's 'category'

Source: The Nation ([Link](#))

Online hospitality marketplace Airbnb says Thailand is an important component of the "experience category" it added to its platform late last year. Joe Gebbia, Airbnb's co-founder, said the new category had been added to the firm's other two core areas, the home category and the "places" category. The new category brings unique local experiences, insider guides and events designed and led by locals to guests staying with Airbnb. He said the aim was to provide new and unique experiences to visitors who wanted to meet local people and experience their culture and nightlife. The firm aims to help diversify tourism away from busy urban centres by providing a way for locals to make extra money by sharing their passions. More than 800 "experiences" are now available in more than 13 cities around the world including Bangkok, Seoul, Singapore and Tokyo, with more than 50 cities due to join the category by the end of this year.

### **3. Export to grow 8% on value-added items**

**Source: Bangkok Post ([Link](#))**

The value of Thai food exports is projected to grow by 8% this year to reach US\$26 billion thanks to more value-added food items and higher global demand. Malee Choklumlerd, director-general of the International Trade Promotion Department, said Thailand shipped about \$24 billion worth of food last year, or about 840 billion baht, which made it the biggest food exporter in Asean and 12th in the world. Strong exports of rice, processed chicken meat, canned seafood products, semi-cooked and frozen shrimp and seasoning items contributed to the growth in 2016. The department expects the export of these products will continue to expand this year. Ms Malee said the government has an ambitious plan to develop Thailand as the world's centre for food research and development as well as food innovations to shift towards selling more innovation and higher-value food abroad.

### **4. THAI delays affiliate strategy**

**Source: Bangkok Post ([Link](#))**

The board of Thai Airways International (THAI) has delayed forming the so-called THAI Group as a strategic overhaul of the national carrier and its two budget airlines, Nok Air and THAI Smile. THAI board chairman Areepong Bhoocha-Oom said the proposal to set up the THAI Group had not been raised at the meeting on Wednesday night because several parties did not have a full understanding of it. THAI acting president, Usanee Sangsingkeo, has been asked to prepare a clear explanation and provide details of the THAI Group plan before the board sits down to consider it, he said. However, Mr Areepong said the THAI Group was a concept that will help the national flag carrier and its two affiliated airlines to compete efficiently in the aviation industry. Under the concept, the three airlines will work more closely together and more effectively, he said, noting THAI has been discussing increased cooperation with its affiliated airlines.

## **5. Google offers free mobile sites**

**Source: Bangkok Post ([Link](#))**

Google Thailand is boosting its influence in the burgeoning mobile advertising market by giving small and medium-sized companies their own mobile websites on its mobile ad platform as the internet giant strives to increase ad revenue. In exchange for receiving a mobile website for free, companies must first sign up with Google's mobile ad service platform. "There are 270,000 SMEs in Thailand that have their own company websites, representing only 10% of the 2.7 million SMEs in the country," said Saranee Boonritthongchai, head for business-to-business (B2B) marketing. Too often, the websites of those SMEs that do have them were designed for desktop computers only, precluding mobile users from logging on or otherwise having a mobile-friendly experience, she said. Thailand is a mobile-first country with 50 million smartphone users, representing 70% of the population.

## **6. Lazada to provide online training to local SMEs**

**Source: Bangkok Post ([Link](#))**

Lazada Group, a subsidiary of Chinese e-commerce giant Alibaba Group, plans to provide training to 30,000 local small and medium-sized enterprises (SMEs) this year to raise their online capabilities. The development has come after Lazada signed a letter of intent with the government to help it move towards the Thailand 4.0 economic model. Lazada will be responsible for providing training to local SMEs, as well as working closely with Thailand Post in order to jointly develop e-logistics systems to provide both domestic and cross-border e-commerce services, said Alessandro Piscini, chief executive of Lazada Thailand. Alibaba will also provide digital marketing training to 10,000 state officials. Mr Piscini also said Lazada is ready to cooperate with the government's initiative to collect taxes on e-commerce transactions.

